



U.S. SMALL BUSINESS ADMINISTRATION
WASHINGTON, DC 20416

May 19, 2015

The Honorable David Vitter
Chairman
Committee on Small Business and Entrepreneurship
United States Senate
Washington, DC 20510

Dear Mr. Chairman:

Administrator Contreras-Sweet has asked me to respond to your request for U.S Small Business Administration (SBA) loan data on indoor tanning businesses.

The SBA can provide the following data responsive to your request:

(1) The yearly number of tanning salon businesses that have received loans backed by/assistance from the Small Business Administration from 2005 to today.

SBA does not track approvals to tanning salon businesses as an industry group. In the North American Industrial Classification System (NAICS), tanning salons are captured under NAICS code '812199 – Other Personal Care Services'. In addition, to tanning salons, this industry sector includes: steam & Turkish baths, hair removal/replacement/weaving, make-up salons, massage parlors, and tattoo parlors among other things. NAICS 812199 approvals for FY2005-FY2014 are listed below.

7 (a) Approvals where NAICSD='812199'

Approval Fiscal Year	#	\$
2005	550	\$ 55,501,546
2006	494	\$ 66,071,100
2007	558	\$ 61,449,673
2008	446	\$ 61,487,378
2009	180	\$ 31,062,600
2010	191	\$ 38,554,500
2011	255	\$ 50,430,500
2012	210	\$ 53,278,900
2013	307	\$ 77,923,300
2014	358	\$ 91,152,800

504 Approvals where NAICSD='812199'

Approval Fiscal Year	#	\$
2005	5	\$ 2,956,000
2006	7	\$ 4,246,000
2007	6	\$ 1,618,000
2008	11	\$ 4,142,000
2009	7	\$ 3,260,000
2010	5	\$ 1,032,000
2011	3	\$ 1,000,000
2012	10	\$ 3,425,000
2013	10	\$ 2,364,000
2014	12	\$ 3,872,000

(2) The yearly number of tanning salon businesses that have defaulted on loans backed by the Small Business Administration from 2005 to today.

As indicated above, SBA does not track purchases to tanning salon businesses as an industry group. In the NAICS system, tanning salons are captured under NAICS code '812199 – Other Personal Care Services'. In addition, to tanning salons, this industry sector

includes: steam & Turkish baths, hair removal/replacement/weaving, make-up salons, massage parlors, and tattoo parlors among other things. NAICS 812199 purchases for FY2005-FY2014 are included in the following excel file.

Approval Fiscal Year	#	\$
2005	44	\$ 4,691,989
2006	81	\$ 7,756,466
2007	62	\$ 4,687,176
2008	121	\$ 10,509,553
2009	197	\$ 21,185,556
2010	210	\$ 19,329,961
2011	173	\$ 21,453,053
2012	91	\$ 9,481,198
2013	58	\$ 4,259,009
2014	36	\$ 3,621,401

Approval Fiscal Year	#	\$
2005	-	\$ -
2006	-	\$ -
2007	2	\$ 1,297,492
2008	-	\$ -
2009	1	\$ 1,113,152
2010	4	\$ 1,946,929
2011	2	\$ 1,212,280
2012	3	\$ 1,255,302
2013	-	\$ -
2014	-	\$ -

(3) The total cost of any defaults related to the tan tax, including the costs of collection, legal fees, etc., arising from losses associated with tanning salon closures.

Since SBA does not track costs related to the tan tax, or losses associated with tanning salon closures as an industry, we do not have this data. SBA does have data on the loan performance of individual tanning salon companies and franchisors. If there are specific tanning salon companies you are interested in, SBA would be happy to provide data such as loan approvals, defaults, and loss rates for those specific companies.

We appreciate your support of SBA and America's small business community. If you or your staff have additional questions, please contact Thaddeus Inge, SBA Associate Administrator for Congressional and Legislative Affairs, at (202) 205-6634.

Sincerely,

Ann Marie Mehlum
Associate Administrator
Office of Capital Access